

SENATE BILL 2987
By Burks

AN ACT to amend Tennessee Code Annotated, Section 49-7-107, to require foundations for state colleges and universities to adopt a code of ethics and to provide for remedies of violations of such code.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF TENNESSEE:

SECTION 1. Tennessee Code Annotated, Section 49-7-107, is amended by adding new subsections as follows:

(c) Any foundation created pursuant to this section shall establish and adopt a code of ethics that shall apply to and govern the conduct of all members of the foundation board.

(d)

(1) Notwithstanding any other provision in the law to the contrary, by a two-thirds ($\frac{2}{3}$) vote of its membership, the foundation board may remove any appointed member of the foundation board for a material violation of the code of ethics.

(2) A foundation board vote to remove a member shall only be taken after the accused member has been afforded a due process contested case hearing in accordance with the Tennessee Uniform Administrative Procedures Act, compiled in Title 4, Chapter 5, and a finding has been made that the member did violate the foundation's code of ethics.

(3) If a member is removed in accordance with this section, such position shall be considered vacant and the vacancy shall be filled as provided by the foundation's by-laws.

SECTION 2. This act shall take effect January 1, 2005, the public welfare requiring it.